

Minutes of the Special and Regular Meeting February 22, 2005

Twin Pines Senior and Community Center, 1223 Ralston Avenue

CLOSED SESSION - 6:15 P.M.

Conference with Legal Counsel - Anticipated Litigation. Significant exposure to litigation pursuant to subdivision (b) of Government Code Sec. 54956.9. One case.

Public Employee Appointment Pursuant to Government Code Section 54957: City Manager

Attended by Councilmembers Feierbach, Mathewson, Warden, Bauer, Metropulos, Interim City Manager Rich (Item A only), Deputy City Attorney Zaffarano (Item A only), and Public Works Director Davis (Item A only). City Clerk Cook was excused from attending.

ADJOURNMENT at this time, being 7:00 P.M., these Closed Sessions were adjourned.

This meeting not tape-recorded or videotaped.

Terri Cook

City Clerk

SPECIAL MEETING (7:05 P.M.)

Attended by Councilmembers Feierbach, Mathewson, Warden, Bauer, Metropulos, City Clerk Cook.

Commission Interviews

Ashleigh Vozikes (Parks and Recreation Youth), a sophomore at Notre Dame High School, felt this would be a good opportunity to be involved in the community. She noted that although there are a number of things for younger children at the Art and Wine Festival, she would like to see more activities to draw teens, such as age-appropriate crafts. She would also like to see more recreation and summer programs for kids and teens. At school she is involved with the Admissions Club, which provides student shadows for incoming freshmen, and being a tour guide during open house.

Jackie Kimmey (Parks and Recreation Youth, Incumbent) stated she has enjoyed her tenure on the Commission. She has seen a number of projects to completion, such as Patricia Wharton Park improvements, the Library Park plans, and she is involved in the subcommittee for the Art and Wine Festival. She described some of the options being considered for changes in the Festival, including expansion of space, carnival rides, old-fashioned games, a talent competition, radio station presence, and partnering with Notre Dame de Namur University. She clarified that if she were not reappointed she would still be involved in the community, and noted that she has been

invited by the Chamber of Commerce to help with the Art and Wine Festival. She stated that her experience on the Commission has given her more confidence around adults. She is able to advocate for and support ideas, is able to articulate better, and feels she is listened to.

ADJOURNMENT at this time, being 7:25 P.M., this Special Meeting was adjourned.

Terri Cook

City Clerk

This meeting tape-recorded but not videotaped, Tape Number 603.

REGULAR MEETING

ROLL CALL 7:30 P.M.

COUNCILMEMBERS PRESENT: Warden, Feierbach, Bauer, Mathewson, Metropulos

COUNCILMEMBERS ABSENT: None

Staff Present: Interim City Manager Rich, Deputy City Attorney Zafferano, Public Works Director Davis, Community Development Director Ewing, City Clerk Cook.

PLEDGE OF ALLEGIANCE

Led by City Clerk Cook.

REPORT FROM CLOSED SESSION

Mayor Warden stated that direction was given, but no action taken on the closed session held earlier.

SPECIAL PRESENTATIONS

Proclamation Honoring Rotary International on its 100th Anniversary

Councilmember Bauer, a Rotarian, presented the Proclamation honoring Rotary International's 100th Anniversary.

Chris Middleton, President, Belmont Rotary Club, stated that Belmont Rotary was committed to the community, and thanked the Council for recognizing that commitment.

Mayor Warden thanked the Rotary for all the things it does for the community.

Councilmember Bauer stated that the Belmont Rotary Club would be sponsoring a Crab Feed on February 27 at the Hiller Aviation Museum.

AGENDA AMENDMENTS

Mayor Warden stated that a request had been made by Fairfield Affordable Housing to continue Item 6A (Resolution on a Private Proposal to Redevelop French Village and Normandy Square Apartments (621 and 641 Old County Road) as Affordable Housing) to a subsequent meeting.

Councilmember Bauer stated he had no objection if there was no impact on the schedule of the Board of Supervisors on this matter.

In response to Councilmember Mathewson's question regarding the March 1, 2005, hearing date on the Board of Supervisors' agenda, Applicant Stan Herskovitz (with Fairfield Housing) responded that the Supervisors postponed the hearing to March 29, 2005 at Fairfield's request, in order for them to meet with housing groups.

Councilmember Feierbach stated she has spent approximately 25 hours on this matter and was prepared to take action. She noted that Council placed this item on the agenda, not the applicant.

Councilmember Metropulos stated he was willing to continue if that was the consensus; otherwise, he was prepared to take action on this matter.

Councilmember Mathewson stated he was prepared to hear the matter.

Mayor Warden stated there was no overwhelming reason to postpone.

Council concurred to keep the matter on the agenda as scheduled.

JOINT MEETING WITH THE BELMONT FINANCE COMMISSION

Roll Call (Commissioners)

Commissioners Present: Korn, Ledoux, Sepah-Mansour, Troyan, Loo

Commissioners Absent: White, Mannisto

Report on Mid Year Financial Results - December 31, 2004

Finance Director Fil noted that this is the mid-point of the fiscal year. He stated that the economy is in recovery mode. He clarified that the \$1.5 million correction strategy implemented with this year's budget is working; that Revenues are on track, and expenditures are well managed with few exceptions. He noted there are unknown risks for Budget Year 2006 due to activities at the State level.

Finance Director Fil reviewed details of sales, transit occupancy (TOT), and property taxes, as well as vehicle license fee revenues (VLF). He clarified that VLF was previously collected by the County and forwarded to cities, but now comes from property taxes. He noted that Belmont's major sales tax producer is not producing well, and noted that more and larger producers should be sought. Hotel occupancy rates have risen to 85 percent, which is a positive sign. He also reviewed expenditure details.

In response to Mayor Warden's question regarding the 30-day hotel stay condition of approval in order to guarantee TOT, Commission Chair Lieberman clarified that hotels are subject to federal legislation regarding this issue, and it is in the best interest of the hotel to check people out and back in again on the 30th day.

In response to Councilmember Feierbach's question regarding the Housing Endowment and Regional Trust (HEART), Finance Director Fil stated that any monies earmarked for expenditure could be excluded if directed by Council. He also clarified that by law those monies cannot be paid out of Redevelopment Funds.

Finance Director Fil reviewed the proposed implementation of a Vehicle Impact Fee for trash collection. He noted that the consultant's study recommended target revenue of \$100,000, but the staff recommendation was for \$110,000, based on the pavement index. He noted that other cities are proposing the implementation of this fee as well. In response to Commission questions, Finance Director Fil clarified that the fee would be passed on to customers, and the amount of the increase would be based on the number of pickups per week, but could average \$2 per household.

RECESS: 8:35 P.M.

RECONVENE: 8:45 P.M.

FY 2006 Budget Strategic Planning Session and Budget Calendar

Finance Director Fil noted that Belmont was at flat population growth and was experiencing a 2.6 percent job growth in a 2.2 percent inflationary year. He noted that the office vacancy rate, which had been at an all-time high of 30 percent, was decreasing. He also noted that Belmont been undertaking a number of ambitious capital projects such as the sewer project, City Hall, and the new Library. He reviewed expenditure forecasts, and noted that the planned issuance of sewer bonds would be postponed to 2006. Future capital projects will include street improvement projects and low-to-moderate income housing. He noted that Police and technology equipment replacement has been budgeted.

Finance Director Fil explained the PERS rate change and how monies are paid. He noted that costs for previous losses are now being added in subsequent years, and the impact in future pension reforms was unknown.

Finance Director Fil noted that serious structural deficits at the State level need reform. He clarified that although the passage of Proposition 1A has been helpful to cities, a long-term

solution is needed, and that some future ERAF takeaways are still possible. He also noted the potential loss of future COPS grants, and clarified that one Belmont position is funded through this mechanism. He stated that some State mandates continue to be unfunded, and some local street improvement monies will be reverting back to the State.

Finance Director Fil reviewed Budget policies, and noted that it is the City's intent to maintain minimum reserve level, even though it dipped below that amount this year. He noted that Belmont has full cost recovery, although there are subsidies to some programs, and the 2006 budget will continue the current year's policy of zero-percent Community Group Funding. Development Services Fund is currently in deficit, but that staff was addressing that situation. He noted that all departments would be preparing for a 5 percent reduction as a backup plan.

Finance Director Fil stated that pending budgetary issues include funding for the city attorney, and he noted that labor contract negotiations have just begun. Health insurance is experiencing double-digit increases, the PERS plan has issues, and the City was looking at alternatives.

Commissioner Troyan commended Finance Director Fil and his staff for their work.

Commission Chair Lieberman stated that prudent financial policies have left the City in good shape this year, and there were no drastic changes forthcoming. Tough decisions were made during the last fiscal year. He commented that although the economy is on an upward trend, it is still fragile.

Interim City Manager Rich stated that there are fiscal implications for bringing the city attorney services in-house, should that be Council's desire. He also noted that the plan was to continue the zero financing for Community Groups, unless otherwise directed.

Councilmember Feierbach stated that she would prefer funding a police officer before bringing the city attorney in-house.

Mayor Warden stated that the Community Group Funding policy could be reviewed. He noted those monies are for one-time grants, not for operating expenses. Interim City Manager Rich clarified that it is intended that the budget correction strategy be sustainable for three to five years. Finance Director Fil clarified that some funding is being provided through other methods such as contract for services, which could continue.

Other Items

Mayor Warden complimented the Finance Commission on its level of input in the Budget process, as well as with the South County Fire funding issues. He noted that Commission meetings are more accessible, and information is available on the Website. He encouraged the Commission to become more involved in the Budget process.

Commission Chair Lieberman stated that the Commission is engaged in ongoing discussions regarding self-improvement, and he complimented the addition of Mike Loo to the Commission.

ACTION: On a motion by Councilmember Metropulos, seconded by Councilmember Mathewson, the Budget Calendar was unanimously adopted by a show of hands.

ADJOURN JOINT MEETING at this time, being 9:25 P.M.

RECESS: 9:25 P.M.

RECONVENE: 9:35 P.M.

PUBLIC COMMENTS AND ANNOUNCEMENTS

Rick Frautschi, Folger Drive, commented regarding the need for weekend noise code enforcement of gasoline-powered equipment. He noted that construction took place on a number of projects during the recent President's Day Holiday, in violation of City Code. He requested proactive enforcement of these violations.

COUNCIL MEMBER COMMENTS AND ANNOUNCEMENTS

Councilmember Bauer announced that the Belmont Rotary Club would be sponsoring a Crab Feed at the Hiller Aviation Museum on February 26.

Councilmember Metropulos noted the "Hope" bracelet he was wearing for the American Cancer Society (ACS). He stated that he was co-chairing ACS's Belmont/San Carlos Relay for Life on July 16 and 17 at Carlmont High School. More information would be forthcoming.

Mayor Warden announced that his State of the City address would be held at a luncheon at the Iron Gate Restaurant on March 17. He noted that this year's St. Patrick's Day theme would be "Lucky to be in Belmont".

AGENDA AMENDMENTS (continued)

Mayor Warden announced that at the request of members of the public, Items **4-D** (Resolution Prohibiting Parking on Curves at Various Locations on North Road and Several Cross Streets), **4-E** (Resolution Prohibiting Parking on Curves at Various Locations on Belmont Canyon Road), and **4-G** (Resolution Removing 4-Hour Parking Restrictions Adjacent to the Residential Area along Academy Drive between Ralston Avenue and Belburn Drive) would be removed from the Consent Agenda for separate consideration.

Councilmember Bauer requested the removal of Item **4-B** (Written Communication, Application of PG&E for Authority to Implement Default CPP Rate Options for Large Customers and Notice of Hearing) for separate consideration.

Councilmember Feierbach requested the removal of item **4-F** (Resolution Removing a Portion of the Ten-Minute Parking Zone and Establishing a One-Hour Parking Zone at 1910 Ralston Avenue (Vivace Ristorante) for separate consideration.

CONSENT CALENDAR

Approval of Minutes of Special and Regular Meeting of January 25, 2005, Special Meetings of February 7, 2005 and February 10, 2005 (Commission Interviews).

Acceptance of Police Department/City Hall Project - February Monthly Update

Approval of Resolution 9626 Authorizing an Amendment to the City Attorney Contract

Approval of Resolution 9627 Accepting a Mini-Grant from the Office of Traffic Safety for the California Seat Belt Compliance Campaign for Local Law Enforcement Agencies in the amount of \$9,141.

ACTION: On a motion by Councilmember Mathewson, seconded by Councilmember Metropulos, the Consent Agenda was unanimously approved, as amended, by a show of hands.

ITEMS REMOVED FROM CONSENT CALENDAR FOR SEPARATE CONSIDERATION

Written Communication: 1) Received from the Public Utilities Commission dated January 21, 2005, Application of PG&E for Authority to Implement Default CPP Rate Options for Large Customers and Notice of Hearing.

Councilmember Bauer noted that PG&E was requesting higher baseline rates for larger users. He outlined the hearing dates on this matter.

ACTION: On a motion by Councilmember Bauer, seconded by Councilmember Feierbach, and unanimously approved by a show of hands to accept Written Communication from the Public Utilities Commission dated January 21, 2005, Application of PG&E for Authority to Implement Default CPP Rate Options for Large Customers and Notice of Hearing

Resolution Prohibiting Parking on Curves at Various Locations on North Road and Several Cross Streets

Bill Musgrave, North Road, stated that the person complaining about parking on North Road is likely not a resident of the street. He noted that this is a speed issue, not a parking issue, and that speed is not enforced. If cars are not parked on the street, speeding cars will crash into homes. He requested speed bumps, and recommended the Council deny this request.

Walter Gloskowski, North Road, stated that he brought this issue before the City in 1978 when he requested the lowering of the speed limit. At that time he hired a traffic engineer at his own expense, and the City implemented all of the recommendations of the engineer. He noted that parking is prohibited on half of North Road. In 2002 a speeding vehicle caused property damage at his home. Traffic control and no parking signs, previously removed, were reinstalled following a complaint to the police department. He did not receive notice of the Traffic Safety Committee meeting, and recommended this issue be referred back to that committee.

Public Works Director Davis responded that the Council's recent enactment of a parking policy outlines the provisions for parking on curves. He noted that the City has received requests for parking restrictions on North Road for many years. He stated that the same mailing list was used for this Council meeting as was used for the Traffic Safety Committee meeting.

Councilmember Feierbach stated that she visited the areas of proposed parking restrictions on North Road, and that speed humps are not an option for this street. She noted that many of the vehicles parked in this area are large, and block half the street. Public Works Director Davis stated that speed humps are a traffic calming measure, which is governed by a different process.

Laura Peterhans, Belle Monte Avenue, stated that stop signs are hidden by trees, which should be trimmed. She noted that there are a number of areas throughout Belmont where the visibility of stop signs is an issue.

Public Works Director Davis stated that the areas proposed for parking restrictions on North Road are problematic, since parked cars force people to violate the law.

ACTION: A motion was made by Councilmember Feierbach and seconded by Councilmember Metropulos to approve the Resolution Prohibiting Parking on Curves at Various Locations on North Road and Several Cross Streets.

Mayor Warden stated that North Road does not qualify for speed bumps because it is an access road for fire vehicles. He noted that a similar situation on San Juan Boulevard several years ago was improved when parking was prohibited along certain sections of the roadway. It is not acceptable for vehicles to cross a double-yellow line because of parked cars. Ten accidents in five years is a substantial number. He noted that the Public Works Department is conservative in its recommendations on these issues.

Councilmember Feierbach stated that residents could always ask for the parking restrictions to be removed in the future.

ACTION: On the original motion, Resolution 9628 Prohibiting Parking on Curves at Various Locations on North Road and Several Cross Streets was unanimously approved by a show of hands.

Resolution Prohibiting Parking on Curves at Various Locations on Belmont Canyon Road

David Curson, Zief, Jr. Foundation, El Camino Real, requested that the parking restriction at 2655 Belmont Canyon Road be referred back to the Traffic Safety Committee (TSC) because no notice was received for the meeting, and this address had special needs. He noted that only specific areas of Belmont Canyon Road were slated for parking restrictions, and there is no double yellow line on that street.

Ortensia Lopez, Belmont Canyon Road, stated that parked cars are a protective measure. She also requested the matter be referred back to the TSC as she was not noticed at its original meeting.

Councilmember Feierbach stated that there are many blind curves on Belmont Canyon Road, which are dangerous.

Public Works Director Davis stated that site distance is one measure outlined in the parking policy. He noted that Belmont Canyon Road is not a double yellow line issue. He recommended that Council approve the resolution with the exception of 2655 Belmont Canyon Road, and direct staff to meet with the owner of that home, since it is an assisted care facility with special needs. He noted that the adjacent property owners requested parking restrictions on the other portions of Belmont Canyon Road, as outlined.

Mayor Warden noted that the intent is not to take away parking, but to address safety. He expressed concern regarding the lack of noticing of the TSC meeting, as outlined by the speakers.

ACTION: On a motion by Councilmember Feierbach, seconded by Councilmember Mathewson, Resolution 2629 Prohibiting Parking on Curves at Various Locations on Belmont Canyon Road, with the exception of 2655 Belmont Canyon Road, was approved by a show of hands (4-0-1, Bauer abstain).

Resolution Removing a Portion of the Ten-Minute Parking Zone and Establishing a One-Hour Parking Zone at 1910 Ralston Avenue (Vivace Ristorante)

Councilmember Feierbach thanked staff for bringing this item at the request of the restaurant. Public Works Director Davis noted that the new parking policy helped with the issue.

ACTION: On a motion by Councilmember Feierbach, seconded by Councilmember Mathewson, Resolution 9630 Removing a Portion of the Ten-Minute Parking Zone and Establishing a One-Hour Parking Zone at 1910 Ralston Avenue (Vivace Ristorante) was unanimously approved by a show of hands.

Resolution Removing 4-Hour Parking Restrictions Adjacent to the Residential Area along Academy Drive between Ralston Avenue and Belburn Drive

Kevin Gordon, Academy Avenue, stated he was in favor of the resolution.

Ted Brown, Academy Avenue, stated that he originated the petition for this request, and none of his neighbors was in favor of the existing parking restriction.

Councilmember Feierbach clarified that the parking restriction was implemented several years ago at the request of the neighbors. With the addition of the parking lot at Barrett Community Center, the parking prohibition on Academy was no longer an issue.

ACTION: On a motion by Councilmember Bauer, seconded by Councilmember Feierbach, Resolution 9631 Removing 4-Hour Parking Restrictions Adjacent to the Residential Area along Academy Drive between Ralston Avenue and Belburn Drive was unanimously approved by a show of hands.

HEARINGS

Public Hearing to Amend the Uniform Franchise Agreement with BFI Waste Systems of North America Inc. to Require a Vehicle Impact Fee

Finance Director Fil noted that this fee, discussed during the joint meeting with the Finance Commission earlier in the evening, seeks to recover \$110,000 in pavement impact fees from damage caused by garbage trucks.

In response to Mayor Warden, Public Works Director Davis clarified that damage to storm and sewer drains are covered under the Sewer Enterprise Fund, and that curbs and gutters are the responsibility of the adjacent property owner. He noted that this fee addresses just the pavement issue.

Mayor Warden opened the Hearing. No one came forward to speak.

ACTION: On a motion by Councilmember Mathewson, seconded by Councilmember Bauer, the Public hearing was unanimously closed by a show of hands.

ACTION: On a motion by Councilmember Bauer, seconded by Councilmember Feierbach, Resolution 9632 Amending the Uniform Franchise Agreement with BFI Waste Systems of North America Inc., to Require a Vehicle Impact Fee, was unanimously approved by a show of hands.

Resolution Accepting \$100,000 from the State of California Citizens Option for Public Safety (COPS)

Police Chief Mattei stated that this grant provided funding for one police officer, and he clarified that the grant was restricted to a front-line officer only. He reviewed the history of the grant funding over the years. He noted that changes in the grant could result in the potential future loss of funding, and that this was the fourth of a five-year program.

Mayor Warden opened the Hearing. No one came forward to speak.

ACTION: On a motion by Councilmember Metropulos, seconded by Councilmember Mathewson, the Public hearing was unanimously closed by a show of hands.

ACTION: On a motion by Councilmember Metropulos, seconded by Councilmember Feierbach, Resolution 9633 Accepting \$100,000 from the State of California Citizens Option for Public Safety (COPS) was unanimously approved by a show of hands.

MEETING EXTENSION: At this time, being 10:30 p.m., on a motion by Councilmember Metropulos, seconded by Councilmember Feierbach, the meeting was unanimously extended by one hour by a show of hands.

OLD BUSINESS

Resolution on a Private Proposal to Redevelop French Village and Normandy Square Apartments (621 and 641 Old County Road) as Affordable Housing

Community Development Director Ewing stated that the City Council was limited on this issue to comments to be forwarded to the County Board of Supervisors, which has ultimate authority over this item. He noted that the loss of property tax could total \$3.7 million by the end of the 55-year deed restriction. He clarified that one-third of the property tax goes to the City, and two-thirds to the Belmont Fire Protection District. He commented that it was difficult to quantify the overall impact of this project. At a recent meeting with representatives from Fairfield Housing, the issue of in-lieu fees was raised, but there was no discussion. As previously noted, Fairfield requested a continuance of this item.

In response to Council questions, Community Development Director Ewing clarified that the property tax loss was calculated using the present value of \$23,600 and amortized using a two percent increase per year, with an assumption of one additional sale during the 55 years, providing a reassessment.

Mayor Warden noted that many of the tenants currently residing at this location may already be paying below-market rates, so this project will likely not add to the stock of LMI units.

Stan Herskovitz, Fairfield Housing, provided background information regarding Fairfield. He noted that it has rehabilitated 12,500 units, is the 13th largest property manager in the United States, and 10 percent of units managed are affordable. He reviewed the rehabilitation and staffing proposal for the Old County Road properties. He reviewed the rental rates, including the minimum rate needed to maintain the building. He stated that Fairfield was willing to pay an in-lieu fee to the City of \$12,600. He noted that other projects have required cities to input money into projects. He commented that proposed rehabilitation of the buildings will be attractive and will appeal to a different clientele.

Mr. Herskovitz noted that this apartment complex is currently 75 percent occupied, and 30 of the units are occupied by the County's Kamanar project, which may be responsible for a high volume of the police calls. He would like to create an environment for workers to live and spend money in the community. This project meets the City's housing goals. He clarified that the developer fees are usually deferred, but can be paid each year if there is a positive cash flow. He noted that other affordable projects have not been sold in the 18 years it has owned them.

In response to Council questions, Mr. Herskovitz responded that monies are set aside for ongoing maintenance, and the company's overall portfolio can be drawn upon if needed. He reviewed the details of the proposed tenant improvements. He clarified that Fairfield entered into a contract for the purchase of this property in November, and contact was made at that time with City staff,

the County, and State agencies regarding entitlements. He noted that it is not Fairfield's policy to contact neighbors, although some cities require this action. He also noted that a private project such as this is not usually a concern of the neighbors, and people are sensitized to the fact that affordable housing is a necessity.

Mr. Herskovitz stated that the current residents would qualify to remain as tenants, and he described the temporary relocation process during rehabilitation. He mentioned that Fairfield accepts Section 8 housing. He noted that in most cases Fairfield's projects have a positive impact in the neighborhood. He commented that various projects have provided 100,000 units of affordable housing per year since 1986.

In response to Councilmember Feierbach's question regarding the discrepancy in property tax calculations, Mr. Herskovitz explained the assumptions and methodology he used in arriving at the \$27,000 increment. Finance Director Fil clarified staff's methodology, and noted that it assumed a resale during the 55-year cycle, which would result in a reassessment. He clarified that this assumption was based on the turnover rate of other similar properties. He noted that even if no sale occurs, the loss of property tax is significant.

Council discussion ensued regarding the property tax increment and loss.

Finance Director Fil noted that no calculations were made regarding the property tax loss to the schools.

Bill Dickenson, Sterling Downs Neighborhood Association President, stated that the Finance Commission was not given time to review this item. He stated that Belmont and other cities were not the same for comparison. He noted that the City has invested dollars in Old County Road, and this project does not meet the City's goals as outlined in the General Plan. Old County Road should be a grand boulevard, and he commented regarding the kind of people currently located on Old County Road.

Sean Singer, Chesterton Avenue, is opposed to the project, since there would be an impact on property values and an impact on fire and police services. He noted that more outreach is needed.

Jim Bigelow, Vine Street, has worked on housing issues for many years. He stated that at issue is the potential impact of a large cluster of 100 percent affordable housing within a market-rate housing area. He stated that a similar project near Hillsdale has had no issues, and that the quality of management and the end product is important. He noted that Fairfield is willing to make improvements to provide work-force housing. A 55-year commitment is important. He recommended supporting the project, or continuing the item.

Rick Frautschi, Folger Drive, stated he is opposed to this project. He recommended that the City Council oppose the financing as a conditioning of precedence at the League of California Cities meeting. He recommended that the City should forward its opposition to the San Mateo County Board of Supervisors and the State of California. He was concerned with the loss of property tax, only 55 percent of the units might qualify towards the City's affordable housing requirement, and the high number emergency service calls. He noted that the Sterling Downs

neighborhood already supports 20 percent of the City's affordable housing, and this project would increase that to 50 percent.

Laura Peterhans, Belle Monte Avenue, stated that she is a volunteer with Peninsula Interfaith Action, a coalition of 27 churches which addresses housing needs in the community. She described affordable housing projects in surrounding communities. She visited the Old County Road property and stated there is an advantage to upgrading the property, which may result in 100 percent occupancy. She clarified that she is not familiar with the financial issues of this proposal.

City Clerk Cook read a Comment Form submitted by **Don Hauser**, Chesterton Avenue, who wrote that many people in the neighborhood oppose this project. He expressed concern regarding the loss of property and sales tax revenues. There is already too much low-income housing in Sterling Downs. This project will result in an increase in the crime rate, a better buyer is needed with better tenants, and this development is not a positive thing for Belmont.

Stan Herskovitz stated that he will ensure a quality project and that he is available to come to an agreement regarding the tax increment, but not for other agencies.

Councilmember Bauer stated that affordable housing does not reflect on the type of clientele it might attract, and he expressed concern regarding statements made by speakers regarding this issue. He noted that he was more comfortable with the project having heard this presentation.

Councilmember Mathewson stated that this project provided rehabilitation benefits and management benefits, but he was concerned regarding the loss of property tax. He is conflicted between neighborhood concerns and housing needs, but noted that LMI housing needs are best met when mixed with other housing. A decision should be reached that is in the best interest of the City.

Councilmember Metropulos stated that he took issue with drug and crime references, and he agreed with Councilmember Bauer regarding the type of clientele living in affordable housing. He also agreed with Councilmember Mathewson regarding the need for making a decision that is in the best interest of the City. He is concerned with the loss of property taxes to the City and other agencies.

Councilmember Feierbach stated that she has spent considerable time on this issue, including visiting other Fairfield projects. She noted that the need for increased or additional property taxes was addressed during the earlier budget discussion. Belmont is already providing affordable housing. She noted that there would be a future Council presentation to provide information on how to best spend LMI money. She is concerned about the concentration of affordable units in one neighborhood, and this is not a good project for Belmont.

Mayor Warden does not support using taxpayer dollars to pay for development. He noted that this project provides no benefit since the rents are already affordable. He commented that according to the proforma, rental rates would increase following rehabilitation. Other entities

will be impacted by the property tax loss. The affordability component is not the issue, but the property tax loss is. He cannot support this project.

RECESS: 11:50 P.M.

RECONVENE: 11:55 P.M.

ACTION: On a motion by Councilmember Feierbach, seconded by Councilmember Mathewson, to oppose the Proposal to Redevelop French Village and Normandy Square Apartments (621 and 641 Old County Road) as Affordable Housing for the following reasons: 1) the project would result in the loss of property tax; 2) would further concentrate low-to-very low housing in the Sterling Downs Neighborhood; and further direct that the City Manager write a letter to the County Board of Supervisors outlining reasons for opposition, as noted.

Mayor Warden offered an amendment to the motion to include that the Resolution be attached to the letter. Amendment accepted by Councilmembers Feierbach and Mathewson.

ACTION: On the initial motion, as amended, Resolution 9634 Opposing the Proposal to Redevelop French Village and Normandy Square Apartments (621 and 641 Old County Road) as Affordable Housing was unanimously approved by a roll call vote (5-0), with the following comments:

Councilmember Bauer stated that he supports the project itself, but cannot support this proposal due to the financial impact of the loss of property tax.

Councilmember Mathewson voted yes, with regrets.

Councilmember Feierbach voted yes, but that she respects the Fairfield organization.

MEETING EXTENSION: At this time, being midnight, on a motion by Councilmember Mathewson, seconded by Councilmember Metropulos, the meeting was unanimously extended by thirty minutes by a show of hands.

Mayor Warden thanked staff for its quick turnaround on this issue.

NEW BUSINESS

Discussion for a Permanent Encroachment Agreement for Construction of a Fence within the Public Right-of-Way at 1117 North Road (APN 044 142 010)

ACTION: On a motion by Councilmember Warden, seconded by Councilmember Bauer, this item was unanimously continued to March 8, 2005, by a show of hands.

Report on FY 2004 Performance Budget Results and Recommended Reforms

ACTION: On a motion by Councilmember Warden, seconded by Councilmember Bauer, this item was unanimously continued to a future meeting by a show of hands.

COMMISSION, COMMITTEE UPDATES, AND STAFF ITEMS

Resolutions Making Appointments to the Planning and the Parks and Recreation (Adult and Youth) Commissions

City Clerk Cook stated that the City Council had interviewed all candidates and incumbents. She outlined the options for selecting Planning Commissioners to fill the two- and three-year positions. Council concurred to first choose the four candidates, and then select the candidates for each term.

Councilmember Bauer and Mayor Warden stated for the record that they had listened to the tapes of the interviews for which they were absent.

City Clerk Cook distributed the ballots for Planning Commission, which were tabulated by Interim City Manager Rich. He announced that all four incumbents (Frautschi, Horton, Parsons, Wozniak) had received three or more votes.

ACTION: On a motion by Mayor Warden, seconded by Councilmember Feierbach, Resolution 9635 Making Appointment of Rick Frautschi to the Planning Commission for a Three-Year Term to expire on the first day of March, 2008, was unanimously approved by a show of hands.

ACTION: On a motion by Councilmember Mathewson, seconded by Councilmember Feierbach, Resolution 9636 Making Appointment of Kenn Parsons to the Planning Commission for a Three-Year Term to expire on the first day of March, 2008, was approved by a show of hands (4-1, Bauer no).

Councilmember Bauer clarified that his no vote reflected his desire to appoint Commissioner Horton to the other three-year term.

ACTION: On a motion by Councilmember Mathewson, seconded by Councilmember Metropulos, Resolution 9637 Making Appointment of Christine Wozniak and Jacki Horton to the Planning Commission for a Two-Year Term to expire on the first day of March, 2007, was unanimously approved by a show of hands.

City Clerk Cook distributed the ballots for the Parks and Recreation Commission, which were tabulated by Interim City Manager Rich. He announced that all four incumbents (Cheechov, Shjeflo, Bortoli, Swanson) had received three or more votes.

ACTION: On a motion by Councilmember Metropulos, seconded by Councilmember Feierbach, Resolution 9638 Making Appointment of Margo Cheechov, Walt Shjeflo, Rich Bortoli, and Aimee Swanson to the Parks and Recreation Commission for a Two-Year Term to expire on the first day of March, 2007, was unanimously approved by a show of hands.

City Clerk Cook distributed the ballots for the Youth Parks and Recreation Commission, which were tabulated by Interim City Manager Rich. He announced that both incumbents (Kimmey, Lyon) had received three or more votes.

Councilmember Metropulos stated that the youth seats were a difficult choice since all candidates were excellent. Mayor Warden encouraged those not chosen to participate in other community activities.

ACTION: On a motion by Councilmember Feierbach, seconded by Councilmember Bauer, Resolution 9639 Making Appointment of Jackie Kimmey and Christopher Lyon to the Youth Parks and Recreation Commission for a One-Year Term to expire on the first day of March, 2006, was unanimously approved by a show of hands.

Discussion and Direction regarding Community participation in City Manager interview process (continued from February 8, 2005).

Human Resources Director Dolan outlined the process for community participation in the city manager interviews as outlined by Bob Murray, Consultant. She noted that during previous city manager recruitments, department heads also provided input to Council on final candidates. She clarified that whatever process is selected by Council can be made contingent upon the results of the interviews scheduled for February 25.

Councilmember Bauer stated that he supports citizen input, and supports the recommendation.

Councilmember Metropulos stated that he would like to reserve the decision to seek citizen and department head input until after the interviews by the Council. Councilmember Feierbach concurred with this.

Mayor Warden recommended that Council approve this process at this time and give him the authority to make any modifications following the interviews on February 25. This would avoid having to call another meeting to take action on the process.

ACTION: On a motion by Councilmember Mathewson, seconded by Councilmember Feierbach, and approved by unanimous vote to approve the process for the community and department head interview panel as outlined, and give the Mayor the authority to cancel or otherwise modify the process following candidate interviews on February 25, 2005.

MATTERS OF COUNCIL INTEREST/CLARIFICATION

Discussion and direction regarding electronic timer for public speakers for new Council chambers (continued from February 8, 2005 - Warden).

Mayor Warden stated this item would be continued to March 8, 2005.

ADJOURNMENT at this time, being 12:25 A.M.

Terri Cook

Belmont City Clerk

Meeting Tape Recorded and Videotaped

Tape No. 604